

Angela Charles

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From: Eric Janssen <EricJ@eslawfirm.com>  
Sent: Wednesday, January 06, 2016 4:57 PM  
To: Records Clerk  
Subject: TechNet and EVCA Letter Re Docket No. 150210-EI  
Attachments: TechNet-EVCA Letter Re 150210-EI 2016Jan6 (00345046xBA8E1).pdf

Dear Ms. Stauffer,

Attached please find a letter from TechNet and the Electric Vehicle Charging Association for filing in Docket No. 150210-EI.

Sincerely,

Eric L. Janssen  
Legal Assistant  
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TechNet

EVCA

Electric Vehicle Charging Association  
INNOVATION FOR CLEAN MOBILITY

SENT VIA ELECTRONIC FILING

January 6, 2016

Carlotta Stauffer, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: Docket No. 150210-EI – Gulf Power Company’s Petition for Approval of  
Depreciation Class and Rates for Electric Vehicle Charging Infrastructure

Dear Ms. Stauffer:

We write to express concern regarding the Petition of Gulf Power Company (“Gulf Power” or “Company”) for authorization for “a new depreciation class and rate” for an unidentified quantity of electric vehicle (“EV”) charging infrastructure, including EV charging equipment on the customer’s side of the meter. We request that the Commission delay action on this request until the Commission has had an opportunity to develop policy on the underlying question of the utility’s role in EV infrastructure development, and develop a full record on the impact of Gulf Power Company’s proposal on ratepayers and on the competitive market for EV charging equipment and services in Florida.

I. **Procedural History**

Gulf Power filed its petition with the Commission on September 28, 2015. Staff issued two rounds of discovery on October 29, 2015 and December 17, 2015, respectively. The Company filed its first response on December 2, 2015. The Company’s second response is due January 14, 2016. The current due date for a Staff recommendation to the Commission is January 19, 2016.

II. **Interested Persons and Communications**

The Electric Vehicle Charging Association (EVCA) represents the companies who are leading the growth of the electric vehicle charging infrastructure, technology and services industry, and we advocate at the state level for policies to promote innovation and the development of clean transportation.

TechNet represents the Chief Executive Officers and Senior Executives of the nation's leading companies in the fields of information technology, ecommerce, Internet, social media and apps, biotechnology, clean energy and venture capital/finance, advocating for policies that promote technology leadership and innovation. TechNet is committed to advancing the public policies and private sector initiatives that make the U.S. the most innovative country in the world. This partnership with policy makers paves the way for technology companies to create, thrive and compete.

We request that all notices and communications with respect to this docket be sent electronically to the persons indicated below:

TechNet  
Andrea Deveau  
1001 K Street, 6th Floor  
Sacramento, CA 95814  
(805) 234-5481  
adeveau@technet.org

Electric Vehicle Charging Association  
Jim Hawley  
Dewey Square Group  
1020 16<sup>th</sup> Street, Suite 20  
Sacramento, CA 95814  
(916) 447 4099  
jim.hawley@deweysquare.com

### III. Comment

While not obvious in the two-page petition filed by Gulf Power Company in September, 2015, the authority sought in Gulf Power Company's filing raises fundamental questions, including

- whether owning and operating consumer equipment is a utility function,
- whether ratepayers should pay for customer-side devices and software,
- how utility involvement will impact the competitive markets for EV charging equipment and services, and
- whether this will discourage private investment and innovation in this emerging area.

We briefly discuss these questions below, but emphasize that these are policy issues, which should be addressed in public proceedings prior to the Commission granting Gulf Power Company's petition.

The Florida Legislature has determined that the EV charging services provided by market participants (such as EV charging companies, workplaces, landlords and retailers) are not subject to regulation by the Commission. §366.94, Fla. Stat. This and similar laws enacted in many other states recognize the sale of EV charging equipment and services is not a utility function.

As consumer interest in EVs grows in the United States, the market for a wide range of diverse EV charging products and services is also expanding. For example for the ten year period from 2014 to 2023, Navigant Research projects that the electric vehicle charging industry in the United States will sell 6.2 million charging units, generating \$8.6 billion in hardware sales and \$2.8 billion in charging services revenues. Numerous companies (including some companies that are unregulated affiliates of utilities) are entering the market with innovative products and services. As in other emerging technology-driven markets such as solar photovoltaics and energy storage, consumers are benefitting from competition and private investment.

Investor-owned utilities will have an important role to play in helping expand the infrastructure needed to serve a growing population of EV drivers. As one would expect, regulators around the country are considering the important question of what the role of the utility should be with appropriate caution and deliberation. For example, in California, the Public Utilities Commission opened a separate rulemaking proceeding (R.13-11-007) to address policy issues, and issued a decision calling for ratepayer benefit analysis and consideration of the impact on competition before any pilot proposal involving utility ownership of EV charging equipment can be considered.

In the New York Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision (REV) proceeding (Case 14-M-0101), the Public Service Commission established a presumption disfavoring utility ownership of distributed energy resource assets (which are defined as including EV charging). The Commission determined, as a policy matter, that utility participation in Distributed Energy Resources (DER) markets could undermine competition, and that it is better to use competitive markets and risk based capital as opposed to utility funding as the source of asset development. The utility role is defined as being the “wires” company and the platform that enables a market for DER resources. Order Adopting Regulatory Policy Framework and Implementation Plan (February 26, 2015) p.67.

In Massachusetts, the Department of Public Utilities issued a decision (Case No. D.P.U. 13-182-A) that “distribution companies may have a competitive advantage in owning and operating EVSE [electric vehicle service equipment] that may adversely affect the development of a competitive market for EV charging” and that “the primary responsibility of distribution companies is to provide safe and reliable distribution service; EVSE ownership and operation is not required to serve this obligation.” The decision allowed narrow exceptions for utility fleet charging or pilots in which there is demonstration of public interest, proof that the pilot would meet a need that is not being met by the competitive market, and proof that the pilot would not hinder the development of the competitive market. Order on Department Jurisdiction over Electric Vehicles, the Role of Distribution Companies in Electric Vehicle Charging and other Matters (August 4, 2014) p. 13.

Before considering Gulf Power Company’s petition, the Commission should carefully consider the underlying policy questions in a separate proceeding. The Commission should develop a record regarding the current status of EV infrastructure in Florida, where EV infrastructure is needed in order to meet the needs of EV drivers, how investment can be leveraged, along with private investment to meet identified needs without wasting ratepayer money, without harming competitive markets for EV charging equipment and services, and

without taking away customer choice in equipment and services, which is the factor that ultimately drives innovation and healthy competition.

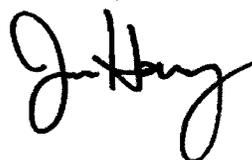
We greatly appreciate your consideration of this request that action on the Gulf Power Company petition be held in abeyance until the Commission addresses the underlying issues in a policy proceeding or, in the alternative, holds a hearing or public process to develop a full and complete record on the Gulf Power Company request. We would also like to request a meeting on this subject noticed for January 13, 2016 to provide additional information to interested parties.

Please feel free to contact either of us if you have questions or require further information.

Respectfully,



Andrea Deveau  
Executive Director  
TechNet



Jim Hawley  
On behalf of  
Electric Vehicle Charging Association

cc: Danijela Janjic, Office of General Counsel  
Commissioner Ronald A. Brisé, Pre-Hearing officer  
Chairman Julie I. Brown  
Commissioner Lisa P. Edgar  
Commissioner Art Graham  
Commissioner Jimmy Patronis  
Jenny Wu, Division of Economics  
J.R. Kelly, Office of Public Counsel  
Robert L. McGee, Jr. Gulf Power Company  
J. Stone/R. Badders/S.Griffin, Beggs Law Firm



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